

Chief, Services Division

29 August 1950

Acting Chief, Audit Section

Establishment of A Services Officer for Each CIA Building

1. In compliance with your memorandum dated 1 August 1950, subject as above, the following is a list of improvements which can be made, from an audit standpoint, by the establishment of a Services Officer in each CIA building or group of buildings:

a. Better Property Records - At the present time a large percentage of personnel acting in the capacity of Accountable Officers are devoting only a small per cent of their time to such duties; consequently the property records are not properly maintained. One of the principal duties of a Services Officer would be the maintenance of accurate and current property records.

b. Better Accountability of Property

(1) At the present time there are several accounts in each building making it very difficult to keep property separated by Branch Accounts. For example, the following is a list of buildings and the number of accounts in each:

North Building.....	5
Central Building.....	6
Administration Building.....	3
South Building.....	8
One Motor Pool.....	2
Building #11.....	3
Building #13.....	3
Building #14.....	2
One Building.....	7
"E" Building.....	7
"L" Building.....	6
"R" Building.....	3
	4
	3
	1
Recreation Building.....	1
Quarters I.....	1
	1
2210 "P" Street.....	2

STAT

STAT

STAT

STAT

25X1A6A

.....	2
.....	3
.....	2
.....	4
.....	1
.....	1
.....	1
.....	2

This is a total of [] accounts in [] buildings or an average of [] accounts per building. Inasmuch as there is no means of identifying property, with the exception of machines which bear serial numbers, it is extremely difficult to account for the property for any one Branch Account after it becomes intermingled with property of another Branch Account.

STAT
STAT

- (2) By establishing a Services Officer for each building or group of buildings, this problem would be eliminated as all property located in a building or group of buildings would be charged to the Services Officer concerned.
- (3) A greater percent of the individuals now serving in the capacity of Accountable Officers are not "property conscious"; i.e., they are not concerned with property utilization to the degree that a Services Officer would be whose responsibility would be to the Chief, Services Division, not to the various activities within the building or group of buildings concerned.
- (4) Personnel selected for the positions of Services Officer could be appointed by the Chief, Services Division, who is in a position to know the qualifications needed for said positions. Individuals who did not perform satisfactory service in the position of Services Officer could be removed by the Chief, Services Division.

6. Power Personnel Involved in Property Accounting

- (1) At the present time there are approximately one hundred forty-four (144) persons involved in some form of property accounting for the twenty-three (23) Branch Accounts within the Agency. Thirty-eight (38) of which are either Accountable Officers or assistants thereto,

and the other one hundred six (106) are Responsible Officers.

(2) It is estimated that by the establishment of Services Officers as outlined below the same duties could be performed with better results for all concerned with a total of thirteen (13) Services Officers and ten (10) assistants, or a total of twenty-three (23) against a total of one hundred forty-four (144) now concerned with property accountability:

<u>Account</u>	<u>Services Officer</u>	<u>Assistant</u>
North and Central Building	1	0
[redacted]	1	1
Administration and South Building	1	0
Buildings 11, 13, 14 and Gas Garage	1	1
"M" Building	1	1
Qae Building	1	2
"L" Building	1	2
"K" Building	1	1
[redacted] Recreation Building & Quarters I	1	2
[redacted]	1	0
TOTAL	13	10

d. Better Property Control

(1) At the present time there is no single unit charged with the control of property within the Agency other than the [redacted]

STATINTL

STATINTL

[redacted] which is not sufficiently staffed to perform this function in addition to other duties assigned thereto. Due to this fact, there is inadequate control of CIA Property. Requisitions are initiated by various persons within the using activities and forwarded to the Accountable Officer who, in most instances, signs same without investigating the need for item requested.

- (2) In the case of Branch Account No. 70 which is charged with approximately one-half of one million dollars worth of property, the position of Accountable Officer was vacant for a period of approximately four weeks, and the person who was appointed Accountable Officer was unable to tell the auditors at the time of the audit what rooms were assigned to Branch Account No. 70 and the names of all the Responsible Officers. It was further noted that the Accountable Officer signed Property Passes in advance which were available to anyone who had access to his desk. The results of the audit and inventory were that a total of eleven hundred dollars worth of CIA property could not be accounted for. These facts are listed for the purpose of substantiating the fact that there is at the present time inadequate property control under the system now in effect.
- (3) A Services Officer set up under recommended procedure would be in a position to control property under his jurisdiction from the standpoint of requisitioning, use, and disposal.

e. Reduce the Number of Turn-Ins and Requisitions

- (1) It has been noted that there are numerous requisitions and turn-ins for identical items within the same building but in different Branch Accounts or sub-accounts. A Building Services Officer would be able to eliminate this by a review of turn-ins and requisitions and by movement within the building. It is estimated that the number of pick-up and deliveries could be reduced forty per cent by this procedure.

STAT

(2) At the present time there are approximately one hundred thirty (130) persons authorized to requisition non-expendable property. Under the proposed system of building Services Officer, the total number so authorized would not exceed twenty (20) which fact alone would greatly simplify requisitioning from a supply viewpoint.

(3) Personnel authorized to initiate requisitions and turn-ins would be familiar with nomenclature and stock numbers which would enable them to prepare turn-in and requisition documents correctly, which is not now true. Requests for property from various activities under the jurisdiction of the Services Officer could be reviewed and consolidated on one requisition, which might now require five or more.

(4) Property delivered to a using activity at the present time is often signed for by anyone within the office to which delivery is made. Property, in many instances, is not checked for nomenclature and quantity inasmuch as signing individual has no interest in such matters. As a result of this, it may later be determined that property received does not correspond in nomenclature or quantity with that listed on receiving document, thus causing discrepancies in the Property Account, and necessitates further requisitions and turn-ins.

f. Reduce the Number of Branch Accounts - The present number of Branch Accounts within the Washington Area could be reduced from twenty-four (24) to thirteen (13), thereby simplifying the maintenance

STATINTL

2. In summary, it is the opinion of the undersigned that the establishment of Services Officers for buildings or group of buildings would make for better property accountability, greater property utilization, more rigid property control and better property service, and all accomplished with fewer personnel than presently used.

25X1A9A

WWW:rsk

cc: Audit Chrono
Audit Subject File